

Village of Coal City
FY14 Final Budget

PW – WATER & SEWER

NARRATIVE

Goals

1. Provide properly treated drinking water for the utility users.
2. Provide a reliable, dependable infrastructure to collect sanitary flow and treat it in a manner consistent with state and federal guidelines.
3. Impartially collect and bill for utility services – water, sewer, and garbage collection along with their stipulated debt obligations.

Program Overview

The Water & Sewer Department is a division of the Village's public works department. This certified staff coordinates the necessary permits with the Illinois Environmental Protection Agency (IEPA) and ensures properly treated drinking water is available via the water utility's water mains and collected via the sanitary collection system. Beginning in FY14, Coal City will utilize the assistance of an outside operator to sign the requisite paperwork until the Village's Operator earns the necessary licenses; this is a matter of years of service besides passage of tests. In addition to the daily treatment regiment, Coal City's existing utility infrastructure continues to age requiring regular maintenance and emergency repair in order to provide reliable service regardless of the age of the systems.

Storm water improvements have greatly assisted the sanitary collection utility. After the completion of major storm improvements, less inflow has increased the overall capacity of the sanitary treatment plant. During the work involved with installing the storm collection system, the staff installed many new hydrants in the northeast quadrant of the Village to assist in turning off less customers during future system maintenance requirements.

Another major project – the replacement of the Gordon Lift Station will negate the potential for sanitary backup within the adjacent neighborhood as well as the continual maintenance and electricity payments for the operation of this lift station. Other projects completed over the past year have significantly assisted in the condition of the water treatment and conveyance system. The installation of a zeolite separator provided greater reliance against any filtering media entering into the treated water system. Other treatment center improvements including a new chlorine injection system and installation of variable speed pumps; currently the existing tanks are being evaluated and rehabilitated to provide new filter media for the treatment system. One of the wells – Well #5 was also inspected and updated with new stainless steel equipment. This improvement is expected to extend the well's requirement for inspection to 7 years instead of the previously scheduled 5.

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This year, efforts will be made to increase competitiveness for the cost of goods required for the water system. Primarily, the Village will focus upon creating an aggregated salt bidding system to consolidate a number of interested municipalities for a salt bid in order to lower the cost of the material. Salt is utilized to soften the water; it is necessary for the treated water system and its cost increases on an annual basis. In addition to this, hauling of sludge materials is planned to involve a competitive bidding process in order to bring the materials to a bid winning recipient.

Long-term health of the water and sewer services needs to continue to be a priority. The Village has requested assistance from the Illinois Association of Community Action Agencies (IACAA). This governmental association has experts that assist with the long-term planning and funding of infrastructure improvements. They plan to refer to the former Coal Valley Study to guide future recommendations for system improvements. Improvements to the system should consider water treatment upgrades, sanitary treatment ability, and waters storage capabilities. Financing these costly improvements remains difficult in light of surcharges that will be in place for many years to come.

Performance Indicators

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Average Water Distributed each day	.549	.806	.591	.550 MGD
Maximum Water Distributed	1.109	1.026	.989	1.114 MGD
Sanitary Flow Collected on a daily basis	.839	.651	.684	.700 MGD
Maximum sanitary flow intake per day	3.433	1.990	1.968	1.350 MGD
Sludge removed from sanitary treatment facility	58.9	61.0	49.3	59.2 Tons
Days requiring Re-Gen Exceeding 24 hrs.				10
Utility Bills Issued	13,785	13,819	13,830	
Collection Rate (% of billing collected)	99.08	99.02	98.75	%
Late Fees Assessed	\$43,207	\$47,611	\$52,055	

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Project & Detail

Budgetary Effect

Personnel Operations Change: During the past year, the Village's senior operator left service requiring a shift in personnel to continue to operate the Water/Sewer utility. Due to the loss of the former operator, the salaries of the former Crew Leader who is now responsible for the division's operations, and the current operator are less than the previous budget.

Decrease in Personnel \$51,681

Water Hydrant R&M: The Village has been replacing older fire hydrants as time permits. In addition, as storm lines are installed, conflicts between these utilities create an opportune time for the installation of additional hydrants and valves. This past year's storm project was the cause for the line item to be overspent. Additional dollars are budgeted due to the neighborhood projects that are planned in FY14 as well.

Increase in Hydrant R&M \$10,000

Purchase & Financing of Equipment and Projects: The Village recently paid off an equipment loan that was entered into during 2008. At this point, it is necessary to replace additional equipment and complete certain projects for the proper maintenance of the utility system. Due to the Village's credit, it is possible to finance these needed improvements over a multiple year period to increase their affordability. Below is a list of the items to be financed, with their annual payment. These amounts will be paid to Fund #38 where the payment in total will be paid from.

<u>Line Item</u>	<u>Equipment/Project</u>	<u>Annual Payment</u>	<u>Increase for FY14</u>
51-00-520	<i>Tank Restoration Payment</i> This project approved in FY13 will require payment vendor payment in FY14. The interior of the four tanks within the water treatment plant will be inspected and new treatment media will be re-established after the existing material is properly disposed.	\$47,911	\$32,911
51-00-830	<i>SCADA System Installation</i> The control equipment for the water treatment facility requires equipment that is no longer serviceable to due to its age. Installation of a new SCADA system will allow the operator to read the diagnostics of the Village's utilities remotely. This improvement will re-establish the communications between different municipal facilities to utilize wireless technology instead of the existing dedicate circuitry.	104,875	4,875

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<u>Line Item</u>	<u>Equipment/Project</u>	<u>Annual Payment</u>	<u>Increase for FY14</u>
51-00-840	<i>Replacement of 70's Dual Wheel Pickup</i> Staff has been utilizing a 1979 pickup truck in order to have the proper equipment to pull pumps and equipment at any of the municipal facilities to include lift stations. Since the department currently has a 250 pickup, the purchase of a 150 pickup is sufficient.	9,439	9,439
51-00-851	<i>Replacement Water Main</i> The Village had submitted plans to IEPA to receive principle forgiveness in order to replace critical sections of water main within the system. These mains become more critical as time passes and their replacement has become a necessity. This payment will be a 5-year payment in order to bid work to complete new installation in parts of Blackstone, Park, east Broadway alley between Chestnut and Walnut, and Maple between Illinois and Mazon streets.	44,998	24,998

Sodium, Water Treatment: The Village softens its water with salt. This year, staff will attempt to bid this commodity with other municipalities in order to gain a lower unit cost. However, sodium continues to increase in cost. The FY14 cost reflects actual usage from the previous year.

<i>Increase in Sodium</i>	<i>\$13,600</i>
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Engineering Services: In order to complete two projects – the tank restoration and installation of new water mains, money is set aside to pay the municipal engineer to design, bid, and oversee the completion of these projects.

<i>Increase in Engineering Services</i>	<i>\$11,500</i>
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Village of Coal City
Proposed FY14 Budget

Water and Sewer

Position	Current FY13			Proposed FY14			Change		
	Positions	Budget		Positions	Budget		Positions	Budget	
Village Administrator	0.42	38,172		0.34	31,249		(0.08)	(6,923)	
Administrative Assistant	0.42	21,947		0.85	32,452		0.43	10,505	
Utility Billing Clerk	0.95	41,562		0.95	42,396		0.00	834	
Collector	0.40	17,500		0.40	17,851		0.00	351	
Superintendents	1.94	122,869		1.94	119,903		0.00	(2,966)	
Crew Leader	0.30	17,452					(0.30)	(17,452)	
Utility Employees	2.00	100,398		1.95	102,863		(0.05)	2,465	
<i>Full-Time Subtotal</i>	6.43	359,900		6.43	346,714		0.00	(13,186)	
Part-time Employees		12,780			26,510			13,730	
Overtime, Full-time		29,026			28,823			(203)	
Overtime, Part-time		100			1,225			1,125	
Overtime, Clerical		1,512			2,066			554	
<i>Additional Pay Subtotal</i>		43,418			58,624			15,206	
PERSONNEL TOTALS		403,318			405,338			2,020	

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Water and Sewer

Account Line Item	FY11 Actual	FY12 Actual	FY12 Budget	FY13 Budget	FY13 End of Year	%of Budget Spent	FY14 Final
51-00-421 SALARIES VILLAGE ADMINISTRATOR	37,731	37,043	38,212	38,172	37,738	98.86%	31,249
51-00-422 ADMINISTRATIVE ASSISTANT	22,001	22,632	21,305	21,947	22,253	101.39%	32,452
51-00-425 SALARIES CLERICAL	46,365	44,457	40,354	41,562	46,272	111.33%	42,396
51-00-425.1 OVERTIME CLERICAL	426	546	1,461	1,013	431	42.51%	1,000
51-00-425.2 MISC. WAGES	0	0	7,042	7,200	0	0.00%	8,500
51-00-437 SALARIES MAINT FULLTIME	177,075	185,661	188,687	240,719	222,208	92.31%	222,766
51-00-437.1 OVT SAL MAINT FULLTIME	18,154	17,538	29,026	33,626	27,255	81.05%	28,823
51-00-438 SALARIES MAINT. PARTTIME	30,553	39,117	41,333	12,780	7,700	60.25%	26,510
51-00-438.1 OVT SAL MAINT. PARTTIME	0	0	3,008	3,100	0	0.00%	1,225
51-00-439 COLLECTOR WAGES	16,270	16,782	16,992	17,500	17,290	98.80%	17,851
51-00-439.1 OVT. COLLECTOR WAGES	129	0	492	499	0	0.00%	500
51-00-451 HEALTH LIFE INSURANCE	75,577	55,253	57,587	69,794	56,009	80.25%	51,341
51-00-467 DEFERRED COMP	1,199	1,490	1,327	2,593	1,357	52.33%	2,757
51-00-468 SICK PAY OUT	0	0	0		0		
51-00-471 UNIFORM ALLOWANCE	4,047	2,202	3,250	3,250	518	15.93%	3,250
Personnel Totals	429,525	422,720	450,076	493,755	439,030	88.92%	470,620
51-00-513 R&M SANITARY SEWER	21,599	16,937	32,000	30,000	23,885	79.62%	30,000
51-00-517 R&M WATERMAINS & HYDRANTS	45,245	44,897	40,000	40,000	50,158	125.40%	20,000
51-00-517.1 R&M WATER METERS & SUPPLIES					2,082		30,000
51-00-518 R&M WELLS & PUMPING EQUIP	345	67,231	60,000	102,400	134,808	131.65%	10,000
51-00-519 R&M WATER STORAGE FACILITY	24,091	1,947	2,000	2,000	104	5.20%	2,000
51-00-520 R&M W.T.P.	6,570	6,811	15,000	15,000	20,972	139.81%	62,499
51-00-521 R&M VEHICLE & EQUIPMENT	2,203	24,700	6,000	6,000	5,004	83.40%	6,000
51-00-522 TESTING SERVICES	18,038	16,574	20,000	20,000	16,500	82.50%	20,000
51-00-523 SEWER SYSTEM SUPPLIES	14,341	14,951	23,600	25,000	7,093	28.37%	23,600
Operating Supplies	14,000						
Lift Station Cleaner	5,600						
Sand	4,000						
51-00-524 SODIUM W.T.P.	107,404	93,636	114,400	100,800	100,349	99.55%	99,500
51-00-531 ACCOUNTING SERVICE	8,400	5,575	9,000	9,000	5,600	62.22%	9,000
51-00-532 ENGINEERING SERVICE	7,292	509	20,000	15,000	1,000	6.67%	36,500
51-00-548 OTHER PROFESSIONAL SERVICES	2,230	3,502	3,000	5,000	4,734	94.67%	4,000
51-00-552 TELEPHONE	8,334	10,462	10,096	10,096	12,304	121.87%	10,096
Connect to VOIP	1,100						
GlobalComm	2,200						
Cell Phones	1,896						
AT&T	4,900						

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Water and Sewer

Account	Line Item	FY11 Actual	FY12 Actual	FY12 Budget	FY13 Budget	FY13 End of Year	%of Budget Spent	FY14 Final
51-00-553	PRINTING & ADVERTISING	1,006	1,015	3,000	1,500	877	58.45%	3,000
51-00-557	SUMP PUMP CREDIT	2,200	0	0		0		
51-00-561	DUES	546	554	575	600	585	97.55%	575
	Illinois Rural Association	500						
	American Waterworks Association	75						
51-00-562	TRAVEL EXPENSES	40	222	1,500	1,500	5	0.31%	1,500
51-00-563	TRAINING	1,268	613	2,500	2,500	844	33.76%	2,500
51-00-571	UTILITIES	4,447	3,399	3,500	3,500	3,374	96.39%	3,500
51-00-572	SERVICE CHARGES debit/cr POS charge	743	734	1,000	1,000	770	76.99%	1,000
51-00-573	ELECTRIC PUMPING--WATER	122,268	121,823	141,192	130,000	114,731	88.25%	130,000
51-00-578	SLUDGE DISPOSAL	39,808	25,740	30,000	30,000	21,168	70.56%	25,000
51-00-593	J.U.L.I.E.	656	499	400	450	450	100.00%	600
51-00-651	OFF SUP & POSTAGE	3,222	6,127	4,500	7,300	7,975	109.25%	4,500
51-00-653	SMALL TOOLS	3,400	871	5,000	3,500	2,665	76.14%	3,500
51-00-654	JANITORIAL SUPPLIES	97	1,069	0		182		200
51-00-655	AUTOMOTIVE FUEL/OIL	18,332	24,144	23,260	25,005	19,154	76.60%	25,005
51-00-656	CHEMICALS/CHLORINE	4,925	3,658	3,000	3,500	3,818	109.08%	3,500
51-00-657	COMPUTER SUPPLIES	43	1,557	4,000	500	333	66.55%	500
51-00-710	IEPA LOAN PRINCIPAL--So Water Tower	0	56,981	0	56,990	58,415	102.50%	59,884
51-00-720	* IEPA LOAN INTEREST--So Water Tower	0	81,624	0	34,934	33,510	95.92%	32,041
51-00-820	MAINT BLDG IMPROVEMENTS	1,731	1,431	10,000	5,000	1,900	38.00%	5,000
51-00-830	CAPITAL OUTLAY EQUIP	968	26,010	100,000	100,000	1,053	1.05%	104,185
51-00-840	CAPITAL OUTLAY VEHICLE	0	0	0		0		9,377
51-00-851	REPL & EXTEND WATER MAIN	0	0	20,000	20,000	5,727	28.64%	44,432
51-00-852	REPL & EXTEND SEWER MAIN	0	0	0		0		
51-00-870	CAPITAL OUTLAY FURNITURE	0	0	0		0		
51-00-880	SOUTH WATER TOWER	0	0	108,000		0		
51-00-890	CAPITAL OUTLAY OTHER	0	0	3,000	5000	0	0.00%	5,000
51-00-929	MISCELLANEOUS EXPENSE	6	2,716	500	500	1,033	206.55%	500
51-00-930	STATE PERMIT FEES	0	10,000	10,000	10,000	10,000	100.00%	10,000
51-00-951	TRANSFER TO '02BOND FUND(was 97)	207,695	18,000	18,000		0		
Operations		679,491	696,516	848,023	823,575	673,159	81.74%	838,494
TOTAL for Water/Sewer		1,109,017	1,119,236	1,298,099	1,317,330	1,112,189	84.43%	1,309,114